



Florida's red tide

DeSantis and his dissenters

TALLAHASSEE

An abrupt shift to the right was meant to showcase Ron DeSantis's conservative credentials. Instead it has provoked concern

TALLAHASSEE WAS not always Florida's capital. Two centuries ago lawmakers from Pensacola on the territory's western coast and St Augustine on the eastern one grew tired of traversing 400 miles to meet. In 1824 Tallahassee was named the capital as a compromise, because it was in the middle. Today middle ground and compromise have vanished in Tallahassee, where the governor's office and both chambers of the legislature are controlled by Republicans. On May 5th Florida's lawmakers will conclude their annual session, which will be remembered as a conservative tide washing over the state.

"Four sessions' worth of legislation" was done in one session, boasts Paul Renner, the Republican speaker of the Florida House: "In scope, it is unlike any other." Ideas that for decades were politically unfeasible have been signed into law. These include a ban on abortions after six weeks of gestation, the "permitless carry" of guns (requiring no training or background

check) and a "universal" school-voucher scheme. (Parents can use public-school funds to send their children to private schools or teach them at home, regardless of income.)

This might sound surprising for what used to be a swing state in presidential elections—remember the "hanging chads" of 2000. The Sunshine State still has a large share of independent voters: 28% are registered as having no party affiliation. Two forces are at work. One is the rise of Ron DeSantis, the governor, as a likely presi-

dential contender. After his re-election last November, when he won by more than 19 points, some national donors viewed him as the Republicans' best chance of defeating Donald Trump. Although he has not yet announced his run, he is using his state as a stage to project his "Florida blueprint" for the rest of the country. In this session, his strategy has been to push to the right of Mr Trump to appeal to primary voters.

Second, though the legislature has been under their control since 1997, the election in November handed Republicans new super-majorities (of at least two-thirds) in both chambers. This is only the second time Republicans have held such majorities, and it is the largest margin they have ever held, says Aubrey Jewett, at the University of Central Florida. Bills have passed without much need for compromise.

The two chambers have fallen into lock-step under Mr DeSantis's command. Ambition surely plays a part in this, with lawmakers hoping to see their loyalty repaid with plum jobs if Mr DeSantis ends up in the White House. But Jeff Brandes, a former Republican state senator, thinks it is "mostly fear". Mr DeSantis has shown a willingness to strike back against legislators who cross him.

Nearly every one of Mr DeSantis's legislative priorities has passed, as have a few bills pandering to him. One of those reverses the "resign to run" law in Florida, no ➤

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longer requiring a person to step down from current office if they seek the presidency or vice-presidency. Another shields Mr DeSantis from public-record requests involving his travel with government funds, ostensibly for security reasons.

Around 25-30% of the legislature's time this session has been taken up with "culture-war issues", reckons Randy Fine, a Republican House member. As well as guns and abortion, Mr DeSantis's "anti-woke" crusades have included ratcheting up his long-running conflict with Disney and attempts to restrict "diversity, equity and inclusion" initiatives. Even some of his biggest backers have grown confounded by how far he has pushed things—including a proposal to expand last year's ban on classroom discussions of gender identity and sexuality, known by critics as the "Don't Say Gay" bill, from the third grade (ages 7-8) to the 12th (17-18).

Social issues may stir the Republican base, but none ranks as the main concern for the average Florida voter. (Affordable housing comes top, followed by the economy, according to a poll in March by the University of North Florida.) The legislature has set aside funds and changed height and zoning rules to boost the supply of affordable housing, and passed a tort-reform law to cut lawsuits, including those for property insurance, which in Florida costs nearly triple the national average. Still, many Florida-watchers are unimpressed. "I wonder what this legislative session would have looked like if Governor DeSantis had decided to stay governor," says Mr Brandes, who thinks "he would have been much more willing to deal with the pressing problems in Florida".

Questions of character

The session has also given a somewhat unflattering outline of what Mr DeSantis might be like in higher office. "I think he is telling voters who he is, and we should believe him," says Fentrice Driskell, the Democratic leader of the state House. He has shown a reactive streak. After a jury last year could not reach a unanimous decision about whether to sentence the perpetrator who killed 17 people at Marjory Stoneman Douglas High School in Parkland, Florida, to the death penalty, Mr DeSantis pushed to change the law. Now someone can be sentenced to death with four of 12 jurors dissenting, making Florida one of only two states (together with Alabama) not to require unanimity for the death penalty.

His fight with Disney has shown a tendency for retaliation and willingness to push to extremes. Last spring, after the then-boss of Disney spoke out against the "Don't Say Gay" law, Mr DeSantis and the legislature stripped Disney of its special taxation and governance privileges. At

first, dressing down a "woke" corporation looked an easy win, but it has turned into a distraction. Mr DeSantis has suggested that the state could build a prison near Disney World. Disney recently filed a lawsuit arguing that the state's bullying behaviour is unconstitutional, and a board appointed by Mr DeSantis has responded with its own countersuit. Even some of Mr DeSantis's allies are privately critical, saying a pro-business state should not target a company for speaking out.

More people are questioning his political shrewdness. Some worried about his criticism of American support for Ukraine, which he belittled as a "territorial dispute". He had already sated the Republican base last year when he signed a 15-week abortion ban; the six-week ban passed in this session pushed away donors. "I can think of a huge number of people down here who don't want any part of him, because of the last 60 days," says a Republican businessman and former DeSantis donor in Florida, who calls his behaviour with Disney "vindictive, autocratic and absurd".

Although Mr DeSantis has a war chest that Politico, a political-news website, estimates at \$10m (including political-action-committee funds), his popularity has flagged compared with Mr Trump's. A recent poll carried out by YouGov for *The Economist* shows that 53% of Republicans would prefer to see Mr Trump as the Republican nominee in 2024, compared with 31% for Mr DeSantis. That is a striking reversal from last November, when 46% favoured the governor and 39% the former president. Mr Trump has experience of seeing off a Floridian governor. Jeb Bush, widely thought to be a front-runner for the Republican nomination in 2016, quickly withered in the face of Mr Trump's attacks.

Recently members of Congress from Florida have come out to endorse Mr Trump, with only one publicly backing Mr DeSantis. "DeSantis lives in a very insular world, where he doesn't reach out to members," says Mr Brandes. "I don't know who in the legislature he's actually close to, after five years of watching."

But whatever befalls Mr DeSantis's presidential run, he will continue to make a mark on the country. Some of his policies, such as the "Don't Say Gay" law, are already spreading to other states. One of Florida's new laws raises criminal penalties for transporting illegal immigrants and requires hospitals to record people's immigration status. It is "one of the most sweeping and targeted immigration bills in the country" and will be used as a model by other states, predicts Maggie Mick of Multistate, a government-relations firm. Even if the "Florida blueprint" does not prove to be a road map to the White House, it will still inspire other Republican-controlled states to copy Florida's plans. ■

Hollywood

Lights, camera, industrial action

LOS ANGELES

Making movies and television is not all it's cracked up to be

ONE HUNDRED years ago, the hills above Los Angeles got a facelift. A giant sign was erected to advertise a new property development. Its 13 letters, each 43 feet tall, spelled "HOLLYWOODLAND" ("land" was later dropped). The modern movie business was forming at around the same time, as Warner Brothers consolidated power and Walt Disney left Kansas City for Los Angeles. Yet instead of celebrating its centenary, Hollywood faces upheaval: screenwriters are striking for the first time in 15 years.

Every three years the Alliance of Motion Picture and Television Producers, the trade group for the studios, negotiates a new contract with the Writers Guild of America (wga), the writers' union. This year talks soured as studios and writers grappled with how streaming has upended their business models and working conditions. The wga voted to strike if negotiations failed. On May 2nd, hours after their contract expired, they downed pens. Writers wearing matching blue t-shirts and carrying signs with snarky messages ("My pronouns are pay/me") picketed in front of studios across LA and in New York City.

Writers' complaints boil down to two issues. First is the amount of work on offer. There were nearly 600 original scripted television shows in 2022, more than ever before. But in the age of streaming, more content does not necessarily mean more work. Many writers' rooms—where scribes try to wrangle ideas into scripts—last for



Writers block

► fewer weeks and employ fewer writers than in the past. Inspiring particular ire are “mini rooms”, where a few writers map out several episodes before a show even gets the green light. “I do think it’s a cost-cutting measure,” says Sean Collins-Smith, a writer on NBC’s cop drama “Chicago PD”.

The second problem lies with “residuals”—what a writer gets paid each time an episode or film they worked on is rebroadcast. In the Netflix era, films and TV shows can be rebroadcast on demand. Writers argue that the industry has not yet found a way to equitably adjust their payment system to account for this huge change.

A writers’ strike is felt across Hollywood. When shows stop production, camera people, costume designers and others are also out of work. Late-night talk shows are the first to go dark. The Milken Institute, a think-tank in Santa Monica, reckons the previous strike in 2007 and 2008 cost California’s economy \$2.bn.

Striking screenwriters may inspire less sympathy than factory workers who down tools, or even the cash-strapped graduate students who went on strike across California last year. “There’s a notion out there of the spoiled, entitled, glitz-and-glam lifestyle of Hollywood writers,” admits Mr Collins-Smith. But “I know people who, when they got out of their last room, immediately started driving for Uber.”

Los Angeles is the fourth-most-expensive city in the world, according to an annual cost-of-living survey from EIU, *The Economist*’s sister company. “You come to LA for the land of opportunity,” says Jake Lawler, a 24-year-old writer who moonlights as a stuntman to make ends meet. “But the peace-of-mind tax is way higher than anywhere else in the country.”

For studios, the question is whether the film industry can make money. Before covid-19 shuttered cinemas, theatrical releases accounted for about 45% of a studio’s revenues for a big-budget film, according to FTI Consulting. Americans are again going to the movies, but not in pre-pandemic numbers. The streamers are also hunting for profits. Netflix laid off hundreds of workers in 2022 after it lost subscribers for the first time since 2011, and the firm recently said it would restructure its film department to focus on fewer, better flicks. “There’s going to be a precipitous drop in investments in movies in general, because it’s just hard to make a profit,” warns Howard Suber, who taught film at the University of California, Los Angeles for 45 years.

In some ways, the writers’ strike and the business-model woes are what Hollywood is accustomed to. “Every five to ten years there’s some kind of crisis, going back to the introduction of sound,” says Mr Suber with a chuckle. Hollywood is celebrating its century the only way it knows how: chaotically. ■



End of the pandemic emergency

Bye-bye covid

WASHINGTON, DC

Many services Americans have come to rely on are about to wind down

After years of turmoil, America’s covid-19 emergency is formally coming to a close. More than 1.1m Americans died from covid-related causes during the pandemic (in January 2021 weekly deaths were close to 24,000). Now reported deaths are down by over 95% from their peak. And so on May 11th the Biden administration will end the public-health emergency declaration, first issued under President Donald Trump. It enabled the federal government to cut red tape for government programmes and provide urgently needed funds. A programme that allowed FEMA, the Federal Emergency Management Agency, to pay for extraordinary expenses will also end that day. It is a symbolic moment, but also one with real consequences.

Covid-related protections for public health insurance have already been removed, after a change on March 31st. Before the pandemic, many Americans on Medicaid—public health insurance for the poor and those with disabilities—had inconsistent coverage. Some would become ineligible after a rise in income, only to become eligible again once their pay dipped. Others would fail to complete the paperwork properly. The emergency declaration required states to keep patients on the books. In all, up to 24m people could now lose their health insurance.

Covid testing and treatment will be more costly for patients. Under the emergency, Medicare—public insurance for the elderly—and private insurance firms had

to cover clients for covid laboratory tests and up to eight at-home tests a month. No longer. Patients may need to pay for tests ordered by a medical professional. Americans with public insurance were treated free; that may end in September.

One thing will remain the same for a while: covid vaccines will be free to all until the federal supply has been depleted, which some estimate could be as early as this summer. Most insurance companies are required to provide vaccines recommended by the Centres for Disease Control and Prevention without cost, so the vaccine will remain free for the fully insured. But the uninsured may be out of luck.

Telehealth services will become more restrictive. For example, providers were allowed to write prescriptions for certain controlled substances, such as drugs used to treat opioid addiction, through virtual appointments. This will end next week, though the Drug Enforcement Administration has proposed a permanent extension.

FEMA, meanwhile, will end special provisions allowing the federal government to reimburse states for disaster-related services. It provided \$104bn. “It’s the first time we’ve ever done a simultaneous major disaster declaration in all 50 states and our territories,” says Deanne Criswell, FEMA’s administrator. The agency supported measures such as medical treatment in temporary facilities. This will stop on May 11th. FEMA also gave families up to \$9,000 in funeral expenses for covid-related deaths. This will end in September.

“The health system is going to have to absorb a lot of changes at once,” says Jennifer Kates of KFF, a charity focused on health. “We won’t know how smooth or bumpy it will be until it happens.”

And the impact will be felt beyond the medical system. Supplemental Nutrition Assistance Programme (SNAP) benefits, commonly known as food stamps, were more generous and given to more people under the emergency. These benefits will be pared back. Next week additional food stamps for children under six, as well as for children and adults in shelters, will end. A provision covering poor college students will expire in June, and another for schoolchildren finishes in September.

These cuts will hurt the poorest Americans. Some pandemic-related SNAP benefits ended in March, and the affected families lost \$90 per person per month on average. New York Common Pantry, a charity that provides food for the needy, says that as a result it saw 35% more clients after the rollback than at the same time last year. “The lines are longer than ever before,” says Judy Secon, its deputy executive director. She expects demand to rise further as those other food benefits come to an end: “The pandemic went away, but food insecurity did not.” ■

American soft power

The effort to transform the aid business

USAID is changing the way it tries to do good in the world

RAJIV SHAH, a former head of the United States Agency for International Development (USAID), took his team out for drinks to celebrate their hard work in the immediate aftermath of the Haiti earthquake in 2010. Mr Shah footed the bill himself. Funding at USAID didn't stretch that far. But in a cordoned-off area of the bar he spotted a USAID contractor hosting a similar celebration. They were enjoying food and drinks—on the government's dime.

It is tales like this that convince American taxpayers that aid funding is squandered. America is relatively stingy, given the size of its economy. Total official development assistance in 2022 was just over 0.2% of gross national income. But that is enough to make the country the world's largest donor, ahead of Germany and Japan. USAID, the arm of the government that is responsible for dishing out much of that funding, committed \$32.5bn last year, a figure that has climbed markedly over time (see chart). As Joseph Nye at Harvard University puts it, investing in poor countries is a way to both win over foreign governments and "engender a sense of gratitude" towards America. "One shouldn't neglect the fact that aid has a hard-power dimension as well as a soft-power dimension," says Mr Nye.

But USAID's work doesn't always make America look good. The agency is derided for putting bureaucratic process before real progress. Only a handful of big organisations can handle vast USAID awards and the onerous reporting requirements they come with. A study of three years of the agency's spending published in 2019 found that over 40% of awards achieved, on average, just half the results intended. Its work in Haiti has become a symbol for waste in the aid industry. A \$124m programme to build an industrial park created a tiny portion of the expected 65,000 jobs and booted hundreds of farmers off their land. Plans to expand a nearby port failed, though USAID shelled out \$72m on it.

Thanks to the war in Ukraine and the covid-19 pandemic, which have spurred aid spending (see map), the agency is in the spotlight. Lawmakers from both sides of the aisle are pushing it to be more efficient and innovative. And the current USAID chief, Samantha Power, a Pulitzer prize-winning historian of genocide and former ambassador to the UN, is hanging her reputation on plans to overhaul the agency. "I don't want



to exaggerate the degree to which we can snap our fingers and shift the way we do business or the shift in mindset that this entails," she says. Still, two years into her term, efforts to cut red tape, hire more staff and open the door to new partners suggest a shift is, indeed, under way.

Aid and a bet

To understand USAID, start from its beginning. The agency was set up by President John F. Kennedy in 1961 to bring America's foreign assistance under one umbrella. There was never any pretence of altruism. USAID is obliged to use American suppliers even when they are vastly more expensive. The goal, as Maura O'Neill, a former innovation chief at the agency, puts it, was to

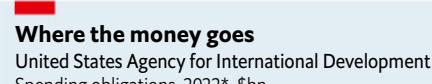
"catalyse more South Koreas and less North Koreas". In the 1990s talk of waste mounted and calls to abolish the agency, led by Senator Jesse Helms, grew louder. The workforce was slashed by 30% between 1995 and 2000. The agency still sees itself as rebuilding from that nadir.

At that Washington bar Mr Shah put his finger on the root of USAID's inefficiency: its stratified way of operating. As at most aid agencies, its staff design projects but don't run them themselves. Its funds generally go to big international organisations, including UN agencies, international non-profit groups and private-sector contractors. A handful of firms in the Washington area, like ABT Associates, Chemonics International and Palladium, have been nicknamed the "Beltway Bandits" for their ability to grab government funds. These intermediaries then identify organisations doing good work on the ground, and hand out money via layers of subcontracts, grants and other awards. USAID staff get involved in monitoring that work.

For an agency that has Congress breathing down its neck, using middlemen is a way to reduce risk. USAID partners have to fill in environment evaluations, gender assessments and myriad other bits of paperwork in return for taxpayers' money. Its partners have legions of lawyers and bookkeepers to meet the rules. These intermediaries take the blame if projects go wrong. What they offer is "compliance as a service", says Prashant Yadav at the Centre for Global Development, a think-tank.

But this is an expensive way to do good in the world. Data from the Share Trust, a non-profit group, suggest that aid agencies could save 32 cents of each dollar they spend through overhead and salary costs if they used local intermediaries.

Across the globe, aid agencies are trying to hand more money directly to local groups, an effort known variously as "lo-



calisation" and "decolonising aid". In 2016 donors and aid organisations struck a "grand bargain", vowing to provide 25% of global humanitarian funding to local responders by 2020. Yet that target was missed by a wide margin.

It is impossible to put a number on USAID's performance versus other aid agencies, says Raj Kumar of Devex, an aid-focused news group: the data are too patchy. But Mr Kumar says the Swedish and Norwegian governments have historically been considered leaders in the quality of aid delivery, including localisation. Countless aid workers say USAID stands out for being the hardest agency to work with.

Successive American administrations have pushed for more localisation. Under President Barack Obama the agency set a target (which it missed) of handing 30% of funding directly to local groups by 2015. In the Trump era, the "Journey to Self-Reliance" strategy justified localisation as saving taxpayers' money. For the current administration, says Donald Steinberg, a USAID veteran now leading the localisation push, it is a way of "changing the power dynamics" and recognising that local groups are best placed to solve local problems. Ms Power has set a goal of directing 25% of USAID funds to local organisations by 2025.

There is a long way to go. Publish What You Fund, a campaign for aid transparency, had a crack at analysing USAID funding between 2019 and 2021 in ten countries, including Haiti, Jordan and Kenya. It reckons that between 6% and 11% of country-level spending goes directly to local groups, depending on how you define "local".

Power shifts

In a bid to push that figure higher, USAID is changing the way it works in three ways. First, an organisational reboot is under way. To give staff the time to seek out new partners, USAID has asked Congress to increase its staffing by 38% by 2025. On average, a USAID contract officer dished out \$77.6m a year over the past five years, more than five times the average at the Department of Defence. With less pressure to get money out of the door, many could experiment with new organisations that can handle only small sums.

Second, the agency is making itself more accessible to small, faraway organisations. Piles of paperwork are off-putting. In a survey of small and medium-sized development firms by Unlock Aid, a campaign for foreign-aid reform, one-third said they avoid taking USAID funding as a result. Adeso, a Nairobi-based humanitarian group that was handed a USAID project, ended up tangled in audits and disputes with the agency that took their toll on the organisation. USAID is trying to put an end to all that. A new website, workwithusaid.org, provides online courses to help

small organisations bid for awards and connects USAID partners with one another.

Third, USAID is shaking up its relationship with big intermediaries, like the Beltway Bandits. Christopher Hirst, the CEO of Palladium, says the firm faces growing pressure to go into partnership with local organisations on USAID projects and train them to work directly with the agency.

Yet there is only so much USAID can do without reforms by Congress. In some missions, as much as 90% of spending is driven by "earmarks", legislative provisions that direct spending to a particular place. The rules on procurement stretch to over 2,000 pages. Asked in a survey in 2017 to choose the top three things that hold them back in their daily work, 63% of USAID staff pointed to endless approvals and clearances required to get anything done.

Change is possible. In corners of USAID greater risk has led to good results. The

President's Emergency Plan for AIDS Relief, a \$100bn project reckoned to have saved 25m lives since 2003, upped the share of funding it hands directly to local groups from 32% in 2018 to 53% in 2021. Development Innovation Ventures, co-founded by a Nobel economics laureate, Michael Kremer, is a sort of venture-capital fund within USAID. An evaluation of its early investments found that it yielded at least \$17 in social benefit for each dollar invested.

Reducing red tape and cutting out the middlemen is something lawmakers on both sides of the aisle should be able to support. As Gayle Smith, another former administrator of USAID, puts it: "Development isn't something you do to people, it's something people do to themselves." Better to fund local communities directly than private contractors in Washington who spend public money on costly overheads—and boozy celebrations. ■

Rattlesnake roundups

Snake, rattle and roil

MANGUM, OKLAHOMA

A rite—or, to critics, a wrong—of spring

SHAYNE NAYLOR has some advice for people who want to hunt rattlesnakes: "Be vigilant" and watch "where you're putting your hands and feet." Every spring he leads people into the countryside of Oklahoma to seek out snakes. Wielding tongs, hooks and a bucket for stashing their catch, a few dozen hunters look under rocks and into crevices to track down their prey.

The hunt is part of the Mangum Rattlesnake Derby, held on the last weekend in April. Some 30,000 people visit the town, which is normally home to only 2,800. In a snake-pit tent wranglers perform among the rattlers. At a butchery

show snakes are killed and skinned in a gory display. Their meat is fried and served up at a café. Hunters can sell their catch for \$10 a pound, and win a prize for the longest snake, overseen by a newly crowned Miss Derby Princess.

The first organised roundup took place in Okeene, Oklahoma, in 1939. Ranch owners banded together to stop the reptiles from harming cattle and people. The events spread to other states. They have drawn the ire of herpetologists and others, who say they are cruel.

Sweetwater in Texas is home to the largest roundup, held every March. It has been especially controversial because hunters use petrol to chase snakes out of their dens. Such "gassing" can be harmful to other wildlife, including some endangered species, and to groundwater. Efforts to ban it have failed.

Opponents have had more success in Georgia, where declining numbers of eastern diamondback rattlesnakes encouraged greater co-operation from organisers. In 2001 Fitzgerald's roundup was transformed into a wild-chicken festival. Claxton's became a wildlife festival in 2012. And last year Whigham's became a no-kill and no-catch affair. But in Oklahoma, where the western diamondback is more abundant, locals see no reason to stop their roundups. "Kids come out here and run around," says Caleb Allen, out on the hunt in Mangum. "And who wants their kids running around in a field of rattlesnakes?"



Rattlesnake woundup

Lexington | “Be not conformed to this world”

A walk from Washington to New York reveals some good news about America



HOW vexing to the masters of America's Northeast megalopolis that the transit system has failed to compress the tedious 225-mile interval between Washington and New York. If the gods smile on the journey—and they seldom do—the tract houses, big-box stores and occasional gleam of water or shadow of forest might blur past in four hours by car on Interstate 95, or three hours by what passes for a high-speed train, the Acela. Flying can take as long, given Uber rides and security queues. More often, some idly tossed thunderbolt snarls transit, prompting travellers to curse their fate, postpone their meetings and despair over America's odds against China, with its bullet trains and other irritating proofs of competence.

In a rebuff to this yearning for speed, Neil King junior, a former reporter for the *Wall Street Journal*, chose to walk from his home on Washington's Capitol Hill to New York's Central Park. It may be too much to ask those charging along the Acela corridor to pause to visit York, Pennsylvania, or Perth Amboy, New Jersey. But what Mr King discovered on his 26-day walk, recounted in his new book "American Ramble", should at least make them prize the landscape they are hurrying through, and its people.

With a rucksack packed with such essentials as a rain jacket, a laptop and an extra pair of trousers, Mr King, at 61, walked out of his front door in late March 2021. Pandemic restrictions were easing and the forsythia was just starting to bloom. He walked by the fences and National Guard troops protecting the Capitol, attacked less than three months before by supporters of Donald Trump. He headed west to Rock Creek, then followed it upstream.

Mr King planned his route carefully, arranging places to sleep and local mavens to consult. Yet serendipity had its way with him. Walking through Amish country in Pennsylvania he heard a bat thwack a softball and spotted a girl in a dress and baseball mitt field the fly ball. He watched the game, among pupils at the Farmersville Mennonite School, then, at the prompting of their teacher, told them about his journey.

The children rewarded him by singing hymns about death and the afterlife—"My weary feet will cease to roam/Someday I'm coming home"—and the teacher explained the tenets of the Mennonite faith. "Be not conformed to this world," the teacher said, quot-

ing Romans, "but be transformed by the renewing of your mind." It was not the only moment Mr King was astonished to find his walk's aim not just affirmed but elevated.

Mr King's project—"giving in to the landscape", he calls it—is not really an American thing. One recalls more readily such British walker-writers as Patrick Leigh Fermor, Bruce Chatwin, Robert Macfarlane or Rory Stewart. Paul Salopek, another American journalist, is ten years into a 24,000-mile walk around the globe. But Americans on literary excursions into their country's landscape and soul, such as Jack Kerouac, William Least Heat-Moon and John Steinbeck, have tended to choose a conveyance besides their feet. Henry David Thoreau may have written the classic essay on the subject, "Walking" (Thoreau delivered an early version in a lecture in Perth Amboy, Mr King learned), but even he tended to favour the canoe for serious travel. One of Thoreau's main points was that you didn't have to walk far: "Two or three hours' walking will carry me to as strange a country as I expect ever to see."

A hard truth is that America is not a very welcoming place, particularly if you are not a white man, as Mr King is. Unlike Britain, it never had a right to roam, and after the civil war states began imposing no-trespassing laws to restrict black Americans. The authorities say a black teenager was shot and wounded this spring after ringing the wrong doorbell in Kansas City, and a white woman was shot dead when she and her friends turned into the wrong driveway in rural New York. The governor of Texas recently chose to describe the victims of a mass killer, including a child, as "five illegal immigrants". This is no country for strangers.

Mr King is sensitive of his privilege, so much so that on Staten Island, near the end of his journey, his female host, a Polish architect turned innkeeper, impatiently exclaimed: "If you have certain advantages, do me the favour of enjoying them." And he encountered suspicion along the way. Yet he reports more acts of kindness. "Does this provoke any thoughts?" a man asked about his yard display of Trump regalia, then offered food and drink. Another stranger lent Mr King a kayak to navigate the swamp below the dozen lanes of I-95, where, under the traffic, he spotted a doe.

The sapience of strangers

Again and again, Mr King reaped the rewards of a serious walker (the sight of "wind-tossed cloth" drying on a line, the way the spring advances through the trees) and those of an empathetic reporter: the intelligence and moral seriousness of fellow people. In places pivotal to the revolution and civil war, he found Americans sifting for the truth of their history. Others confronted America as it is. On top of a dump at the Edgeboro landfill in New Jersey, the site manager reflected on the ancient Mound Builders of the Ohio and Mississippi river valleys. "Those mounds had sacred and religious purposes," he said. "Us, on the other hand, we're brutal."

Mr King began his journey after beating back a cancer he was given scant chance of surviving. Along the way he spoke by phone with a brother who had hoped to join him but was stricken with his own cancer, which proved fatal. A man at the end of his driveway near Randallstown, Maryland, asked Mr King about his journey, then told him: "As you heal, somebody else is going to get in tune and pick up on your vibe and heal."

"You know," this man said, "this is the Passover, this is the resurrection, this is the renewing." That is aiming high. But at least Mr King's pilgrimage should remind the politicians, lobbyists, executives and journalists clamped to the Acela's rails that this land is their land, and it is worthy of a more noble politics. ■

**Green-resource nationalism**

Wrangling over white gold

SÃO PAULO

The green revolution will stall without Latin America's lithium

OVER HALF of the world's lithium, a metal used in batteries for electric vehicles, can be found in Latin America. The region also has two-fifths of the world's copper and a quarter of its nickel. Recently delegations from the United States and the European Union have flocked there partly to secure resources that will be needed in the energy transition, and to diversify their supply away from China. In March John Kerry, President Joe Biden's climate tsar, visited the continent. German officials have scheduled at least three high-level meetings in South America this year. Ursula von der Leyen, the president of the European Commission, looks set to visit in the coming months.

But even as the outside world spies resources in Latin America, governments there are taking back control. On April 21st Gabriel Boric, Chile's left-wing president, announced plans to create a state-owned company to produce lithium. If the legislation is passed later this year, private companies will have to form joint ventures in which the state firm has a majority stake. Mr Boric is not alone in his penchant

for green-resource nationalism. On May 1st Mexico's Senate approved changes to the mining code which will reduce the length of concessions for private companies from 50 years to 30. Andrés López Manuel Obra-dor, Mexico's populist president, also signed a decree in February to fast-track the nationalisation of the country's lithium reserves. The governments of Argentina, Bolivia, Brazil and Chile are discussing creating a lithium OPEC to control global prices. In Bolivia the lithium industry is almost entirely run by the state.

Latin America is part of a global trend. Partly in response to higher commodity prices, several countries have taken greater control of their resources. Indonesia, the world's biggest nickel producer, recently banned exports of nickel ore and is promising to do the same with bauxite, the ore for aluminium. Governments in the

Democratic Republic of Congo, Kyrgyzstan and Madagascar are also dabbling with increased state intervention.

Yet Latin America stands out for the speed with which countries are wielding state control. The Resource Nationalism Index, a ranking produced by Verisk Maplecroft, a consultancy, monitors royalty increases, demands for locally produced goods and expropriation of assets. In the latest ranking from this year, Mexico jumped to third place, from 98th in 2018. Argentina is in 19th place, from 41st. Chile ranks 70th, up from 89th in 2018.

Much of this is due to the fact that a wave of recently elected left-wing governments are now in power in the region. They want to do things differently from the past, when wealth from raw materials ended up abroad or lining the pockets of crony-capitalists. The new left has three goals. The first is to increase the state's revenues and economic clout. If forecasts are right, then the green transition could be continent-changing. An IMF working paper reckons that in order for the world to reach net-zero emissions by 2050, revenues for lithium, copper, cobalt and nickel producers could rise four-fold. The cumulative value of global production could be \$13trn between 2021 and 2040 (see chart 1 on next page). That bonanza is about the same as the forecast value of global oil production over the same period.

Latin America controls many of these vital resources (see chart 2 on the next page). Mexico is the world's biggest pro-

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producer of silver, which is used in wind turbines and solar panels. Brazil sits on roughly a fifth of the world's known reserves of nickel, graphite, manganese and rare-earth metals, which are used in green technologies. Chile and Peru alone produce almost 40% of the world's copper.

Chile is one of the places that is most likely to benefit from the windfall. Already mining, mostly of copper, represented 15% of GDP and 62% of its exports in 2021. Codelco, the state copper-mining company, provides over three times the tax revenue of private companies per unit of production, according to CENDA, a Chilean think-tank. Mr Boric hopes the state lithium firm can do the same. Tangible signs of this jackpot are already visible. Last year SQM, one of only two companies that currently mine lithium in Chile, paid more than \$5bn in revenue to the treasury, making it the country's biggest corporate tax contributor. Chile's lithium production quadrupled between 2009 and 2022.

Other countries can smell the money. Argentina is expecting investments in lithium worth \$4.2bn, or 0.7% of GDP, over the next five years. Exports of the metal surged last year, from \$200m to \$700m (or from 7% of all mining exports in 2021 to 18%). Nickel production in Brazil increased by almost a tenth between 2021 and 2022. Last year Vale, a Brazilian mining firm, signed a long-term agreement to supply nickel to Tesla, the world's biggest maker of electric vehicles, though the value of the deal was not disclosed. On April 10th Brazil's regulator gave Sigma Lithium, a startup, approval to start mining lithium from hard rock in the state of Minas Gerais. Its project is valued at over \$5bn.

A second reason why Latin America's politicians are ramping up resource nationalism is that they hope to create more jobs and opportunities for business. Until now the region has failed to produce higher-value goods because of a poorly skilled labour force, low investment in research and development (R&D) and an unpredict-

able regulatory environment. Chile, Mexico, Colombia and Argentina spent an average of 0.3% of GDP on R&D in 2020 compared with 2.7% in the OECD, a club of mostly rich countries. The share of workers who receive some form of skills training is only 15% compared with 56% across the OECD.

Many politicians think natural resources should be used as inputs into local manufacturing rather than be exported as raw materials. On the same day he announced his lithium plans, Mr Boric proclaimed: "This is the best chance that we have to transition to a sustainable and developed economy. We don't have the luxury to waste it." Western governments are courting this desire. In January Olaf Scholz, Germany's chancellor, said while in Buenos Aires that German companies would be "real partners" to South America, asking: "Can one not move the processing of these materials, which creates thousands of jobs, to those countries where these materials come from?"

Finally, a sense of social justice is fueling these politicians' plans. Many hope that their policies will not only increase revenue, but reduce conflict. Since 2000 over a third of all conflicts related to extractive projects globally have taken place in South America, according to the Environmental Justice Atlas, a research project at the Autonomous University of Barcelona. Mexico's mining law would make companies give 5% of their revenues to the indigenous communities in which they mine. Mr Boric's proposal would make companies use extraction techniques that require less water in order to minimise drought, which has been a source of anger among locals and indigenous groups.

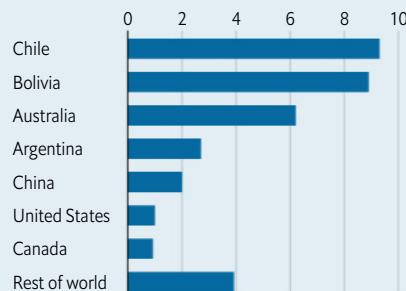
But resource nationalism carries huge risks. Nationalisation has a bad track record in the region. Pemex, Mexico's state oil firm, is the world's most indebted oil company. Venezuela's state oil giant, PDVSA, is synonymous with the country's collapse. Petrobras, Brazil's public oil company, was at the heart of the region's largest corruption scandal, known as "Lava Jato".

And state firms may lack access to the cutting-edge technology that multinational companies typically excel at. For example, LitioMx, Mexico's new state lithium firm, is unlikely to prosper on its own. To date, Mexico has been unable to produce lithium at commercial scale, partly because its deposits are harder to extract, as they are in clay rather than brine. Digging them up will require technology, know-how and investment, which many analysts believe LitioMx lacks.

How has the wave of resource nationalism affected investment? In some places where property rights have been thrown down a mine-shaft, capital flows have dropped. Bolivia has the world's second-

Why nationalisation is tempting

Lithium reserves, tonnes, m
January 2023 or latest available



Sources: US Geological Survey; Yacimientos de Litio Bolivianos

largest lithium reserves, according to its government statistics. But it has yet to pump any out of the ground at scale. In 2019 the government issued a decree overturning a lithium project which involved investment worth \$1.3bn by ACI Systems, a German company, after local protesters demanded higher royalties.

Yet even in Bolivia some firms are prepared to face unstable policies in return for access to scarce minerals. In January Bolivia awarded a Chinese consortium a \$1bn contract to develop its industry. Chinese firms are active elsewhere. On April 21st BYD, a big electric-vehicle maker, announced plans to open a lithium-processing plant with Chile's government. Gotion, a Chinese battery-producer, has promised to produce batteries in Argentina.

Often their interests go beyond minerals to other parts of the green supply chain. On April 27th China Energy, a renewable giant, promised \$10bn worth of investments in renewables in Brazil, particularly in green hydrogen. Jörg Husar of the International Energy Agency reckons Latin America has the largest share of global projects to export green hydrogen.

Resource curse or purse?

For as long as appetite remains insatiable for green resources Latin America will have enough leverage to impose conditions on private firms without strangling investment flows. Yet the big question is whether its slice of the cake ends up being smaller than it might have been. Chile offers a cautionary tale. The government already plays a large role in the production of lithium, which is deemed a strategic resource. Royalties go up to 40% (compared with 3% in neighbouring Argentina), and companies are required to sell up to 25% of output locally at below-market prices to producers who promise to develop the domestic lithium value chain. As a result, Chile is losing market share. Production is forecast to grow by three-fifths by 2026. By comparison, Australia is expected to double production over the same period. ■

Full metal packet

Global metal production, estimated total value
\$trn, 2020 prices



*Based on stated government policies and those under development at Sep 2022

Source: "Energy transition metals", by L. Boer et al., IMF working paper, 2021

Argentina

A libertarian turn

BUENOS AIRES

An interview with Javier Milei

DRAMA IS NEVER far away from Argentinian politics. This year looks set to be a particularly exciting. In October Argentines will go to the polls to elect a new government. For months the leading candidate to oppose the current Peronist government looked to be Horacio Rodríguez Larreta, the technocratic mayor of Buenos Aires, the capital. However with annual inflation at a 31-year-high of 104%, the widely used black-market peso depreciating in value and a severe drought affecting vast swathes of the countryside, it is clear that Argentines are looking for a radical shift.

Within the coalition of the centre-right opposition, known as Together for Change, Patricia Bullrich, a hawkish former security minister, is now a potential challenger to Mr Larreta for the candidacy. But it is Javier Milei, a libertarian economist and congressman, who seems to be benefiting the most from the economic chaos. Argentine polls are notoriously unreliable. However Mr Milei, a 52-year-old outsider, is currently leading in some polls as the most popular individual politician, ahead of the primaries in August to determine which candidates run. (The combined potential vote share of Mr Larreta and Ms Bullrich would, however, still beat him.) His support is highest with men under the age of 30.

Mr Milei cuts a striking figure, even by Argentine standards. A bachelor, he lives alone with five mastiffs, most of which are named after famous economists. He raffles his congressman's salary to the public on YouTube. A Catholic, he says he now may

convert to Judaism. He has said that the two people closest to him are his sister, now his campaign manager, and a rabbi.

It is his anti-establishment rhetoric that has appeared to strike a chord among frustrated voters. His coalition for the presidency, Freedom Advances, revolves around him. "Milei is a celebrity," says Martín Tetaz, a centre-right member of the lower house. Mr Milei is a regular on talk-shows and rants on social media against the "political caste". "He connects with an audience that doesn't feel like debating arguments," says Mr Tetaz.

His policies are radical. Mr Milei voted against the deal the government struck with the IMF last year, which refinanced a \$44bn loan, originally taken out in 2018. This new deal says Argentina should cut its fiscal deficit to 1.9% of GDP, from 2.3% in 2022, by the end of this year. In an interview with *The Economist* Mr Milei describes the strings attached to the deal as "incredibly lax". "What I have in mind is way tougher than that," he adds. He says he will to cut through public spending with a "chainsaw" and reduce government expenditures by 10% of GDP in his first year in office. He would "cut off his arm" before raising taxes. He wants to slash red tape and drop the peso and shift the economy to the mighty US dollar, like Ecuador.

Budget cuts have rarely won votes in Argentina. Most polls show dollarisation is not popular—according to one, less than a third of Argentines polled would be keen on the idea. Mr Milei's more extreme proposals, such as banning abortion, introducing lax gun laws or legalising a market for human organs, disturb many voters. But in a country where left-wing populism has been the norm for decades, his popularity is remarkable. "People like me because I am the only one that says things straight," he says. "Some call me crazy, but the crazy guy is ultimately right about things. Argentina will be liberal again." ■

Paraguay's president

Stability amid chaos

ASUNCIÓN

The same old team prevails again

PUNDITS PREDICTED a tight race. In the end, it wasn't even close. Santiago Peña, a 44-year-old former finance minister and economist at the IMF, took nearly 43% of votes in Paraguay's presidential election on April 30th. Mr Peña hails from the conservative Colorado Party that currently governs the country. By the time his five-year term, which begins on August 15th, is over, the Colorados will have held power for 75 out of the last 80 years.

Mr Peña's plans, though vague, clearly resonated with voters. "He says he's going to support young people who want to get on, that want to fulfil their dreams," says Gabriel González, a 28-year-old builder heading into a polling station in Remansito, a suburb of Asunción, the capital. Advisers to Mr Peña say that a full manifesto will be drawn up soon. Paraguay's ultra-low tax rates and stable macroeconomic policies will probably remain unchanged.

The distant runner-up was Efraín Alegre, a lawyer and former congressman. He headed an ungainly and reluctant coalition. Mr Alegre had lots of ideas, including locking up crooked politicians in a new jail in the mosquito-infested outback. Others would be banished farther afield. Mr Alegre suggested he would extradite Horacio Cartes—Paraguay's president between 2013 and 2018 and the leader of the Colorado Party—to the United States. In January the US government accused Mr Cartes of involvement in "rampant corruption" and barred American firms from doing business with him. No extradition request or formal charges have been made. Mr Cartes denies all of the allegations.

The biggest upset was Paraguayo Cubas, who got 23% of the vote and split the opposition. A nationalist, anti-corruption firebrand, Mr Cubas was expelled from his senate seat in 2019 after brawling with his colleagues. Before that, "Payo", as he is known, was infamous for attacking a judge with his belt before defecating in the judge's office. He said he would shut down Congress, rule with the army and put dishonest officials before firing squads. His movement, National Crusade, saw five senators elected, including one who is currently in jail. Mr Cubas's supporters took to the streets after the election result was announced, letting off fireworks outside the electoral authority, egged on by their leader, who called on them to "die if necessary". Meanwhile the Colorado Party lives on. ■



Anarchy in the CABA



Afghanistan

Taliban 2.0

KABUL, PARWAN AND WARDAK

For half of Afghanistan's population, Taliban rule is less disastrous than feared

FOR TWO decades America and its allies expended thousands of lives and some two trillion dollars in Afghanistan to stop, they said, the Taliban returning the Central Asian country to al-Qaeda plotting and chaos. After the Islamist militants regained power 20 months ago, it was feared that would be Afghanistan's fate. The reality is a little different.

Ask the *hawala* dealers, operators of a vast money-transfer market, clustered in a warren-like bazaar beside the Kabul river. Having for years helped the Taliban finance their insurgency, these well-connected moneymen, who are estimated to provide twice the volume of commercial loans that Afghanistan's banking industry does, thought they had nothing to fear from them. The *hawaladars* had foiled previous efforts by Ashraf Ghani, the country's last NATO-backed leader, and his predecessor, Hamid Karzai, to regulate their largely untaxed trade. Yet the Taliban government

has proved a more committed reformer. It has forced the *hawaladars* to keep computerised records and follow "Know Your Customer" requirements. Non-compliant businesses have been shut down. The boss of the money-changers' union was stripped of his licence to operate. "With these guys, you do what you're told," says Babarak Amiri, a veteran *hawaladar*.

The picture in Taliban-governed Afghanistan is not straightforward. The militants' return has in many ways been disastrous for its 40m people. For women and girls, the disaster has been unambiguous. Afghanistan is now the only country where

it is illegal to be female and study beyond secondary-school level, or to work in most professions. According to the UN, 80% of Afghanistan's 2.5m school-age women and girls are not being educated.

Much of the country has been plunged into hunger, due to a combination of volatile global food prices and an economic crisis triggered by the withdrawal of Western support. It led to a collapse in foreign investment and remittances. With foreign banks refusing to facilitate transactions with the country, Afghanistan's economy shrank by 35% between 2021 and 2022, according to the World Bank.

The Taliban, predictably, have refused to share power with their local rivals. The mullahs are mostly Pashtuns, members of Afghanistan's biggest ethnicity; many of their opponents belong to the Tajik group, the second-biggest. This raises the risk of a return to the ethnic conflict that ravaged the country in the 1990s, precipitating the Taliban's first takeover. Extrajudicial killings have accompanied their efforts to stamp out opposition.

Yet the Islamists are in some ways surpassing the—admittedly low—expectations for their rule. Take their approach to terrorism. They do not appear to be trying to constrain al-Qaeda's remnants in Afghanistan; the group's former leader, Ayman al-Zawahiri, was living in Kabul when ➤

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he was killed by an American drone last year. But al-Qaeda is globally at its lowest ebb, superseded by Islamic State (is), a terrorist outfit spawned by the wars in Syria and Iraq. And the Taliban are attacking is's local affiliate—which they consider a deadly rival—in its rugged hideouts in eastern Afghanistan and elsewhere. Consequently, as Zalmay Khalilzad, a former envoy to the Taliban for Joe Biden and Donald Trump, recently noted, the threat of terrorism launched from Afghanistan has not increased.

Some of the Taliban's efforts to govern Afghanistan are at least as good as their recent predecessors'. When the country's currency, the Afghani, crashed to record lows in December 2021, the clerics turned for advice to a central bank stuffed with Western-trained bureaucrats. It did not have the means to stabilise the currency through bulk-buying, as America had frozen \$9.5bn of Afghanistan's foreign-currency reserves. The Taliban therefore stanched the flow of dollars leaving the country by imposing harsh capital controls, a crackdown on smuggling and the *hawala* overhaul. The Afghani stabilised and is now just 7% lower against the dollar than it was the day before Kabul fell.

The Taliban have improved economic-law enforcement across the board. Tighter controls at the border led to a big increase in recorded exports and customs revenues. Overall revenues for the year ending March 2023 were \$2.3bn, up by 10% on the year ending March 2021. The threat of sharia-law punishments, including hand amputation, deters customs officials from taking bribes, notes an adviser to Mullah Baradar, the deputy prime minister in charge of economic strategy. "The core competency of the Taliban government is the enforcement of laws and orders," he says. "If we find you are doing corruption and we implement sharia laws on you, you will not do corruption again."

To acknowledge such progress is less a tribute to the Taliban's harsh methods than an indictment of the corrupt, NATO-backed governments the Islamists replaced. In Kabul, a city of 4.5m, there are many signs of better law enforcement. Roadworks held up for years by illegal squatters have been pushed through by Hamdullah Nomani, the city's mayor. Street vendors have been corralled into designated areas. Drug addicts have been taken off the streets and into rehab. Roundabouts have been beautified, filthy restaurants closed and 30,000 street dogs inoculated against rabies.

The proportion of businesses that bribe customs officials is down from 62% to 8%, according to a recent World Bank survey. Sanzar Kakar, an Afghan-American entrepreneur who owns the country's biggest auditing company, says his staff are no longer asked for bribes during their regular



visits to the finance ministry, previously "a daily headache". The departure of a "whole crop of corrupt people", including MPS, cabinet ministers and intelligence officials is "one of the biggest blessings".

Though Afghanistan has lost the 75% of its budget formerly donated by foreigners, the Taliban have raised enough revenue to pay 800,000 government employees. Some have received back-pay to make up for a bumpy early couple of months after Mr Ghani's government collapsed.

The Taliban are most concerned, their limited budget disclosures suggest, about paying their fighters. A mini-budget last year earmarked 41% of spending for defence and security. That is a vast outlay for a country no longer at war. With an army of 150,000 and 200,000 police, the Taliban have more forces than Mr Ghani's government. The Taliban army chief of staff says they aim to recruit another 50,000 soldiers and buy anti-aircraft missile systems to knock out American drones.

Too late for the Bamiyan buddhas

Crackpot as they can seem, the Taliban are winning solid reviews from surprising quarters. The boss of a Kabul-based media company, no fan of the mullahs, reckons "Afghanistan is better managed today than Pakistan". He also believes Afghan TV stations are freer to report the news than those in India and Turkey. A dogged band of foreign and local archaeologists and curators of Afghanistan's rich heritage, who remain in Kabul, credit the Taliban for backing restoration of pre-Islamic sites.

Zia ul Haq Amarkhil, governor of Nangarhar province before the Taliban takeover, says they are running things "properly". Like many others in Kabul, he is irritated by the narrative of unremitting doom perpetuated by rights groups and Afghans who fled in 2021. "My brother Afghans outside the country do not agree, but they are not here, they do not know the reality. I am here, I know the reality."

Any improvement in the Taliban's performance partly reflects the different circumstances in which the mullahs are go-

verning. In the 1990s Afghanistan's treasury was a safe-box in the Kandahar compound of Mullah Omar, then their leader. The Afghan state is vastly more capable today. But the Taliban have improved, too. Their reclusive leader, Hibatullah Akhundzada, is a malign figure, responsible for ratcheting up curbs on women from his Kandahar base. Yet the Taliban cabinet in Kabul includes able pragmatists.

Afghanistan's rulers are also assisted by the fact that they, unlike their immediate predecessors, do not have to contend with their own insurgency. It killed an estimated 69,000 soldiers and police between 2001 and 2021 and made economic development perilous or impossible in much of the country. Because companies no longer have to pay for private security, the cost of building projects has fallen by more than 50%, say businessmen in Kabul. In rural areas, telecoms companies can use masts the Taliban had switched off to prevent locals from reporting their movements.

Despite such improvements, suffering is rife. The UN estimates 700,000 have lost their jobs. Middle-class families employed in the sectors that most depend on foreign support—including NGOs, business services, hospitality and the media—are especially hard hit. Fahima, a 26-year-old TV presenter who used to cut a glamorous figure in entertainment and news shows, now sells sex in Kabul to support her family. Finding her first customers, while adhering to Taliban dress code, was tricky, she says in a phone interview. She had to flash glossy high heels from under a burqa. Another longtime sex worker describes an influx of competitors from middle-class families. "This work has become more secret and more dangerous as it's not possible to bribe police any more," she adds.

In the countryside, home to 75% of Afghans and blighted by years of drought, conditions are tougher. "We no longer have to risk our lives to get our crops to market," says Mohammed Tahir, a farmer in Nirkh, a district in central Wardak province that saw heavy fighting as the Taliban advanced. "But everyone is cutting back how much they buy, how much they eat."

In 2019, 6.3m Afghans were considered in need of humanitarian aid; now 28m are. The UN reckons 97% of Afghans live below the poverty line. Some areas are on the brink of famine. The UN's World Food Programme (WFP) has set up food-distribution centres across the country, including in a dingy sports hall in Kabul where 2,500 people recently queued for food. They each emerged with 50kg of flour, a bag of pulses, a bottle of cooking oil and a pouch of salt. Nawaz Ali, a disabled head of a family that includes five daughters, says the ration won't get them through the month.

Last year the UN spent over \$3.25bn on humanitarian aid. This year it has so far ↗

► raised \$425m of the \$4.6bn needed. Due to a shortage of funds, 4m people were recently cut from the list of those being targeted for food aid. The WFP is preparing to stop providing assistance later this month, absent an urgent infusion of \$900m.

The aid is dispersed through UN agencies and NGOs. UNICEF, the children's fund, has paid stipends to nearly 200,000 teachers; the International Committee of the Red Cross is paying 10,000 medical staff. The Taliban are naturally irate. "Barely 10% of UN money gets to the people," claims a Taliban finance-ministry official. "Giving it to the government would drastically reduce overheads."

Some UN officials agree that the emerging "republic of NGOs" is unsustainable—and undermines two decades of efforts to build Afghan institutions. Inevitably, it also helps the Taliban. The millions of dollars of cash the UN regularly flies into Kabul backs the Afghan currency. SIGAR, an American government watchdog, says the Taliban is also skimming off aid money through "licences", "taxes" and other "administrative fees" imposed on NGOs.

Two big things stand in the way of the Taliban winning a modicum of international acceptance. First, their uneven counter-terrorism efforts. Though they attack IS's local affiliate, the Islamic State Khorasan Province (ISKP), they are still said to be pally with their old terrorist ally, the remnants of al-Qaeda, and clearly pally with a newer one, the Pakistani Taliban (TTP), which launches attacks into Pakistan from Afghanistan: in January it blasted a mosque in Peshawar, killing nearly 100 police. Pakistan has mulled launching military raids in retaliation. In April China, Iran, Russia and several Central Asian states moaned about Taliban links to groups that threaten regional security.

Equally damaging to the Taliban's hopes of recognition are their curbs on women and girls. Even Saudi Arabia, one of the few countries to recognise the Taliban's first government, condemned the decision on March 22nd to bar them from Afghan secondary schools and universities. The Taliban have also this year banned women from working for NGOs and UN agencies.

Most of the Taliban's ministers are said to oppose these measures. During their long exiles in Pakistan and Qatar, some educated their daughters. But Mr Akhundzada, a former judge who once recruited his own son to become a suicide-bomber, has a veto on the issue. Beyond his personal views, he is considered anxious to keep the Taliban rank-and-file on-side. Some have defected to the more hardline ISKP. If the Taliban are seen to have gone soft on women's rights, more may follow.

This difference led the powerful interior minister, Sirajuddin Haqqani, to make a rare public dig at Mr Akhundzada in Febru-

ary. "Monopolising power and hurting the reputation of the entire system are not to our benefit," he said in a speech at an Islamic school. Mr Haqqani and other Taliban big shots, including Mullah Yaqoob, who is the defence minister and Mullah Omar's son, have their own power bases within the movement. Their pictures are displayed at Taliban checkpoints.

But there seems little prospect of their forcing a showdown with Mr Akhundzada, who has a bodyguard of thousands of his fellow Noorzai tribesmen in Kandahar. "All the Taliban ministers I meet are shaking their heads over girls' education," says Mr Amarkhil, the former provincial governor. "But at the end of the day they don't have the courage to confront him."

No place for women

Disagreement with the anti-women policies has led to patchy implementation, especially in Kabul and elsewhere outside the Pashtun south. Some NGOs and UN agencies, particularly in health services, have been granted exemptions by individual ministers and governors. Women are banned from working at NGOs, but not in important private companies, including banks and telecommunications firms. They are supposed to work in separate spaces; but segregation is usually observed only when the vice-and-virtue police visit.

Thousands of girls are being educated underground. A women's activist took *The Economist* to visit a secret school in a Kabul side-street. Because she was forbidden to ride in a car with an unrelated man, she arrived separately by taxi, driven by a different unrelated man. She fears this nonsensical loophole will soon be closed. "They are going to come for all of us eventually," she said. The school, a dimly lit room in a rented house, which is part of a country-

wide network, passes itself off as a madrasa. When the Taliban come knocking, the teacher switches from maths to the Koran.

Despite such brave anomalies, it is appalling to witness the freedoms of millions of Afghan women being asphyxiated. Tahiria, a 28-year-old in Kabul, formerly worked as a teacher and personal trainer in a now-shuttered women's gym. (Women have also been barred from parks and women-only public baths.) Now her life consists of housework and daily visits to an actual madrasa. "My parents say I have to obey the new rules," she says. "They used to be so open-minded, but they have changed."

It is also demoralising to many men. "I have two daughters and a wife who trained as an engineer and is a teacher," says a senior civil servant who, unlike many of his peers, decided to stay on after the takeover. If the women's education ban is not overturned by the end of the year, he will join the exodus, further enfeebling the bureaucracy. A digital system introduced by the Ghani government has already been abandoned. "Everyone used to have a laptop on their desk, now we have to do everything with these," he says, holding up a piece of paper slowly gathering signatures as it crawls around his department.

Other problems for the Taliban loom. Revenues may not hold up; some businessmen say punitive taxation will force some firms to close. Despite the movement's fierce reputation, economic desperation is pushing up street crime, many Afghans say. In Kabul even electricity cables are being stolen, says an NGO worker, who has been robbed of two mobile phones at gunpoint in the past year.

ISKP is proving resilient, despite the Taliban's success in killing its commanders. In recent months, this IS affiliate has attacked prominent targets in the capital, including a hotel frequented by Chinese visitors. In March a suicide-bomber blew up a provincial governor as he sat in his heavily guarded office. ISKP operatives are hard to detect because so many are Taliban defectors. Bearded, long-haired young men now receive the most scrutiny at the Taliban's roadside checkpoints.

Even so, the Taliban face no serious challenge for now. Their armed rivals control no terrain. The vast majority of Afghans are exhausted with conflict and resigned to Taliban rule. If the mullahs, taking note of public sentiment, could only accentuate their unpredicted positives, that might not end up too badly for Afghanistan. This is the Taliban's opportunity. If instead they defy public opinion, predicts Mr Amarkhil, disenchantment with the mullahs will build and opposition grow—"from people who are starving, from those the Taliban are suppressing, from those who just want education for their daughters and sisters." ■



To the victors the spoils

Thailand's election

Thaksin times

BANGKOK

The opposition is about to strike a modest blow for democracy

IN 2021 THAILAND'S prime minister, Prayuth Chan-o-cha, was asked what he thought of a rising star in the country's largest opposition party, Paetongtarn Shinawatra. "Who?" he replied. Less than two years later, Ms Paetongtarn leads Mr Prayuth in opinion polls ahead of a general election due on May 14th.

Ms Paetongtarn is the daughter of Thaksin Shinawatra, a tycoon-turned-prime minister, who was ousted in a military coup in 2006. Parties linked to Mr Thaksin have won every Thai election since 2001, running on populist platforms. The impending one looks likely to go the same way. This time the party vehicle is called Pheu Thai, with Ms Paetongtarn as its candidate for prime minister. It is expected to sweep to victory.

Mr Prayuth, a 69-year-old former general, seized power (from Mr Thaksin's younger sister) in a military coup in 2014. Even if Pheu Thai wins the election, the army establishment he represents will make it hard for the party to form a government. Thailand has a history of seesawing between periods of vibrant electoral democracy and military dictatorship; it has witnessed 12 army coups since the replacement of its absolute monarchy with a nationally constitutional one in 1932.

When Mr Prayuth seized power, he promised to strengthen the economy. Instead, his leadership has been defined by incompetence and corruption. Thailand's post-covid economic recovery is the slowest in South-East Asia. Over the past decade, the country has attracted less foreign direct investment than its regional competitors, including Vietnam and Indonesia. Voters are nostalgic for the early 2000s, when Mr Thaksin first won elections, pushing populist economic policies, argues Thitinan Pongsudhirak of Chulalongkorn University. "The last time people remember that Thailand was going somewhere was in 2003. That was peak Thailand." The first country in South-East Asia to become a democracy, it was at that time considered a regional leader.

A younger, increasingly well-educated generation of Thais fears its future is being squandered. Thousands of student protesters took to the streets in 2020 and 2021 calling for Mr Prayuth's government to resign and for reform of the monarchy, an erstwhile taboo topic in Thailand, where denigrating the king can lead to 15 years in



Grin and bear it

prison. The government retaliated, charging at least 240 people under *lèse-majesté* laws, according to a local group, Thai Lawyers for Human Rights.

But the protests changed Thai society. Topics that were once off-limits, including the role of the monarchy and reducing the size of the armed forces, are now openly debated over the dinner table and in public. The upcoming election, it is widely believed, will determine whether the country of 71m slips deeper into democratic decline, controlled by its army and monarchy, or launches a comeback. Many of the student protesters are working as activists for a political party called Move Forward, founded by young, progressive Thais in 2018. It is the only political party that has said it wants to amend the law that criminalises criticism of the monarchy.

At a recent Move Forward rally beside the Chao Phraya river that runs through Bangkok, Thailand's capital, hundreds of supporters in bright orange t-shirts gathered to cheer Taopiphop Limjittrakorn, a well-known craft-beer champion and Move Forward MP. Mr Taopiphop's efforts to make his own beer, inspired by watching YouTube videos of American home-brewing enthusiasts, are the Thai equivalent of Mohandas Gandhi's salt-making. They were in defiance of Thailand's strict alcohol laws, which make it extremely tough for smaller breweries to enter a market dominated by two powerful companies, makers of Singha and Chang beer.

In 2017 Mr Taopiphop was arrested and fined for brewing illegally without a permit. To take his struggle up a notch, he ran for and was elected to parliament. But his bill to reform the alcohol laws—and so "make Thailand more normal"—was blocked by the government. "It is crazy that only two companies get a share of this

400bn baht [\$12bn] industry," he laments. He is running for re-election, to push his bill again. It is an important effort. The military government has coddled monopolists in industries from agriculture to sugar and telecommunications. And it has favoured firms with ties to the army. All this has come at the expense of smaller, more dynamic businesses.

Pheu Thai and Move Forward are expected to win, respectively, the largest and second-highest number of votes at the election. But they are unlikely to be able to form a government. Under the constitution, which the junta forced through in 2016, Thailand's senate, which is packed with military loyalists, has an outsized say in selecting the prime minister. To overcome this bias, an opposition prime-ministerial candidate would need to win three times as many seats in the lower house as a pro-military one.

Making matters worse, the country's constitutional court, electoral commission and anti-corruption commission are crammed with loyal appointees of the military government. Rumours are swirling that, having been thwarted twice before, Pheu Thai is now in conversation with the army establishment over a possible power-sharing agreement. That might be palatable to the army and monarchy. It would sit less well with Thailand's voters. ■

Revolution in the Philippines

Out of ammo

MANILA

A once-proud Maoist insurgency is on its uppers

LAST MONTH the guerrilla leaders of the New People's Army (NPA) ordered its units all over the Philippines to give a 21-gun salute to two fallen heroes. Yet this martial display was diminished by an instruction to give the salute silently, either because the army is out of bullets or for fear a fusillade would alert the police. The few hundred fighters who duly lined up (and presumably whispered "bang") are all that remains of a once-formidable Maoist insurgency. The NPA was launched 54 years ago to overthrow an American-backed president, Ferdinand Marcos. It is now on the brink of yielding to his son and successor, Ferdinand "Bongbong" Marcos.

The guerrillas are a relic of all manner of idiotic politics. At its strongest, the NPA, the armed wing of the shadowy Communist Party of the Philippines (CPP), had an estimated 25,000 fighters. It threatened American troops stationed in the Philippines during the cold war. It was cited by

► Marcos to justify his long and increasingly tyrannical rule. Yet after he was toppled by a popular uprising in 1986, in which the guerrillas played no part, the restoration of democracy and faster economic growth made armed revolution less appealing to young Filipinos. As the NPA's ranks dwindled, its leaders became increasingly lost in arcane ideological debate (leading to important revisions, such as the purgative "Second Great Rectification Movement" of the 1990s). Their fighters meanwhile turned to extorting "revolutionary taxes" from local firms.

Despite the group's manifest unseriousness, America paid it another compliment in 2002. In search of adversaries for its global war on terror, it branded as terrorists the Communist Party, their extortionist guerrillas, and groups of Filipino jihadists and Islamist separatists. The NPA gravely threatened reprisals against American targets. But this last gasp of notoriety did not arrest the Maoists' decline.

Following a rout of the jihadists and a negotiated end to the Islamist separatist movement, the NPA is now considered the Philippines's last internal security threat.

But Bongbong Marcos need not worry overly. The group is estimated to have about 2,000 fighters and no surviving national leader. The CPP's aged founder, Joma Sison, died in exile last December. The party's other foremost leaders, Benito Tiamzon and his wife Wilma Austria, were the subject of last month's silent salute. The government says they were killed at sea when their boat blew up during a chase with the armed forces. The guerrillas claim the government murdered them and blew up their corpses. Either way, the revolution didn't work out. ■

Banyan Back to the future

The rapprochement between South Korea and Japan rests on shaky foundations

WHEN KISHIDA FUMIO arrives in Seoul on May 7th, he will become the first Japanese prime minister to make an official visit to South Korea in more than a decade. His trip is testament to how fast the testy relationship between the neighbours and American allies has improved since early March, when Yoon Suk-yeol, South Korea's president, announced a plan to end a festering dispute over Japanese wartime forced labour and then jetted to Tokyo for a summit.

After bonding over *omurice*, a nostalgic Japanese egg dish, the two leaders set to work. Their governments revived an intelligence-sharing agreement signed in 2016 but put on ice under Mr Yoon's predecessor. They lifted export controls and trade barriers imposed when the forced-labour dispute heated up. A bilateral security dialogue took place last month for the first time in five years; the two countries' finance ministers met this week for the first time in seven years. Japanese and South Korean tourists are flocking to each other's countries.

The improvement in two-way ties has enabled closer three-way co-operation with America. That is why President Joe Biden, who desperately wants his allies to stop bickering about the past and focus on present-day challenges from China and North Korea, hailed Mr Yoon's plan as "groundbreaking". A trilateral defence dialogue restarted last month after a three-year hiatus; two days later, the three countries' navies staged exercises in international waters between South Korea and Japan. Mr Kishida's trip to Seoul serves as a prelude to a trilateral leaders' summit during the G7 gathering in Japan later this month, which Mr Yoon will attend as a guest. If America, Japan and South Korea could co-operate effectively, it would have big implications for

the balance of power in the Indo-Pacific.

Yet the rapprochement rests on shaky foundations. Diplomatic sources rate the negotiations over the forced-labour dispute a clear win for Japan—an unfortunate impression given that compromise is essential. Mr Yoon's plan aims to avert a threatened liquidation of Japanese assets seized by South Korean courts. It involves creating a South Korean government-backed fund to compensate Koreans forced to work in Japanese factories during the colonial era. South Korean officials hoped Japan would apologise anew to the victims and encourage its firms to chip in to the fund, even though Japan considers the matter settled by a treaty signed in 1965. Mr Kishida, hesitant to upset the right of his party, did not budge. So Mr Yoon decided to "take the initiative, and let Japan respond," says Park Cheol-hee of the Korean National Diplomatic Academy.

The result is that 60% of Koreans oppose the plan. Only ten of the 15 families involved in the main court case on the issue have accepted money from the new fund; all three living victims have refused

it. Mr Yoon reinforced a perception that he truckles to Japan when he told the *Washington Post* that his country's former colonial ruler should not have to "kneel" for forgiveness "because of our history 100 years ago". Critics in Seoul call Mr Yoon "Japan's number one salesman", a riff on his pledge to be "South Korea's number one salesman".

Mr Kishida has a chance to steady the foundation during his visit. Yet the two sides have different views of what constitutes a "sincere" offering, says Nishino Junya of Keio University in Tokyo. Mr Kishida may bring nothing more than a decision to restore South Korea to Japan's preferred trading-partners list. That would dismay many Koreans, who will be judging what he says about history, says Choi Eun-mi of the Asan Institute for Policy Studies, a think-tank in Seoul. At the least, Mr Kishida should offer the victims "words of comfort".

Officials in Tokyo, Seoul and Washington hope to overcome any disappointment. China's rise and North Korea's sabre-rattling are powerful reasons to get along. Mr Yoon, who will be in office until 2027, is committed to his policy on Japan. Yet there are plenty of potential flashpoints, from territorial disputes to controversies over textbooks. Another of the forced-labour cases is making its way through South Korean courts.

Moving beyond the cycles of recrimination will require a willingness to speak about the past and future simultaneously, rather than viewing troubled history as a problem to be fixed and forgotten. "You can't just put a bow on it and move away from history," argues Tom Le of Pomona College in California. Instead, South Korea and Japan must find ways to "move with history". The future of their region depends on it.

